



## **AIR FORCE CENTRAL TICKET PROGRAM TRAINING AID**

**IT-1**

**Date: November 1997**

**TRAINING OBJECTIVE:** This training aid describes procedures and guidance for implementing and operating the Air Force Central Ticket Program (AFCTP).

**OVERVIEW:** The AFCTP is a mandatory use Essential Product Program (EPP) for covered ticket purchases. The goal is to provide major/national theme park tickets or passes to bases on consignment. HQ AFSVA works in conjunction with AFNAFPO to establish contracts with theme and amusement parks, and makes those tickets available by direct order from the AFCTP. Installations order tickets and pay for them through the electronic banking system after they are sold. HQ AFSVA/SVPAR maintains a stock of tickets, brochures and promotional materials provided by vendors. All orders, queries and communications are directed to HQ AFSVA/SVPAR. This provides the vendor one point-of-contact (POC) to filter all information to installations and also gives bases one POC to deal with for filling orders and addressing concerns. Vendors participating in this program will no longer sell directly to installations. All bases desiring tickets for attractions available through the AFCTP must obtain them using the methods described in this document. Bases which want tickets that are not offered by the AFCTP may purchase them from other sources until such time as they become available through AFCTP.

**HOW THE PROGRAM WORKS:** The AFCTP is a mandatory use EPP program. HQ AFSVA contracts with major or national amusement theme parks, entertainment companies, etc. Once a contract is signed, all installations are notified the tickets for those attractions must be purchased through the AFCTP. Each Air Force Ticket and Tour operation completes an information sheet (attachment 1a or 1b) and provides pertinent information about their installation, purchasing authority, mailing address, Federal Express and United Parcel Service (UPS) account numbers, and banking information to AFCTP. An order blank (attachment 2) must be completed and either FAXed or mailed to HQ AFSVA/SVPAR. No telephone orders are accepted. FAX orders are accepted 24 hours a day, 7 days a week, but orders are processed Monday through Friday only. Orders are filled by the AFCTP and sent overnight Federal Express and UPS Mail to the installation. Each installation is required to have Federal Express and UPS Mail account numbers for mailing purposes. The cost of shipping is charged via this account to each installation.

Packages are mailed on a per-pound basis. Anytime the package exceeds the minimum weight but does not reach the maximum weight, the AFCTP will include brochures or other promotional materials that will benefit the installation. Vendors periodically provide brochures and promotional materials for distribution. Individual military representatives from the theme park organizations will continue to visit installations and provide customer service and interact with Information Ticket and Tour (ITT) managers. Upon receipt of the tickets, the installation verifies the right quantity has been received. Any discrepancies must be reported within 24 hours after receipt to the AFCTP. The tickets are on consignment to the installation. Once the ITT sells a ticket, the amount of the ticket becomes due to AFCTP. A sales report is due at 14-day intervals to AFCTP (attachment 3). Upon receipt of the sales report, the total owed the AFCTP will be electronically removed from the installation's bank account.

The intent of this program is to allow installations that would otherwise not have the opportunity to purchase theme park tickets and other discount entertainment tickets a consignment purchase program. In doing this, all installations can have tickets "on hand" based on their history of previous sales. ITT managers will have more time to develop programming and promote local events. The AFCTP gives vendors a single point of contact for conducting business, disbursing information, and paying invoices, and is a standardization initiative in line with Air Force and DoD goals.

Suggestions for improvements and sources for other major theme park and entertainment packages are welcome. Contracting for local attractions that are not included in the AFCTP remains your responsibility and should continue as usual.

**INITIAL SETUP:** Each installation ITT must complete an Information Sheet (attachment 1). This sheet provides the activity name, and the name of the manager and an alternate authorized to order tickets. Samples of signatures are required so order sheets can be verified and tickets are purchased only by those authorized. A complete street address is required. Tickets are shipped through either Federal Express or UPS. An accurate delivery street address is necessary to ensure delivery to a person capable of signing for the package. The tickets are the equivalent of cash and must be safeguarded accordingly. You will need to provide two mailing accounts. The primary account is a Federal Express account number and the secondary account is UPS. The initial request should be for the number of tickets you "average" monthly. We will monitor your sales progress through the ordering and sales reporting systems.

**ORDERING TICKETS:** You can order tickets by mail or fax. The ordering form (attachment 2) must be used, regardless of whether you are mailing or faxing. For your protection, orders will not be accepted verbally. Verbal orders are subject to error and could be placed by unauthorized personnel. Fill in your order form (it is self explanatory) and sign the bottom. You may place the orders by FAX 24 hours a day, seven days a week. Orders will be filled Monday through Friday and forwarded within 24 hours of receipt (not counting weekends or holidays). Planning ahead when ordering your tickets can save you time and delivery charges.

**RECEIVING TICKETS:** Tickets should be received the next day from Federal Express or UPS. Each ticket order will have a shipping document (attachment 4), and your receipt needs to be verified against this document. The tracking numbers will be maintained at the AFCTP. Should

you think you have waited too long or a package is lost, you may call AFCTP and request the tracking number. Once you have received the tickets, you have 24 hours (excluding weekends and holidays) to validate you have received what you ordered. Any discrepancies shall be reported to AFCTP in writing within 24 hours. We will not program deliveries to be made on weekends or holidays unless specifically requested on the order form. Since we cannot assume whether there will be someone to receive these packages on a weekend or holiday, it is up to the installation to notify us in writing (on the order form) if they wish weekend or holiday delivery. If this request is made and the package is lost after delivery or because delivery cannot be made, the ITT office is responsible for the entire value of the package. A copy of your order form will be enclosed and serial number/ticket counts will be annotated on the order form. **In the event you do not receive the amount you ordered, a notation will be provided as to why and when the items can be expected.**

We do not anticipate having any back-orders at all, as we are maintaining an inventory at HQ AFSVA/SVPAR. Once tickets are received, they should be accounted for according to *Air Force Services Agency, Training Aid, Tickets Purchased or Consigned for Resale, NA-5* (attachment 5). Additionally, tickets must be secured and controlled in accordance with *AFI 34-202, Protecting Nonappropriated Fund Assets*, and *AFMAN 34-212, Control Procedures for Protecting NAF Assets*. Remember, these tickets are your responsibility for safeguarding and are like cash. The NAF accounting office follows the central vendor payment program (CVPP) procedures to set up the liability for the cost of the tickets sold and the subsequent payment to AFCTP (*NA-40, Accounting Procedures for CVPP*, attachment 6). Your Resource Management Flight can provide assistance and guidance on these procedures.

**TICKET SALES/REPORTING:** Once a ticket is sold, the purchase price is due to AFCTP. Example: A two-day Disneyworld ticket is sold to the customer for \$48.00. You purchased the ticket from the AFCTP for \$38.00. You would owe the program \$38.00 for that ticket and the balance is your revenue from the sale. Since there are multiple variations of tickets, each must be accounted for separately. Sales reporting will be completed every two weeks (see schedule). At the end of a two week period, you will have two additional days to FAX or e-mail your sales report in to the AFCTP. We will provide a calendar of due dates annually for planning purposes. The Sales Report (attachment 3) is a "fill-in-the-blank" form. Information from your reports will be input into a data base and used to calculate payment by the AFCTP. These reports will also be used to monitor the amounts ordered versus the amounts sold to establish a history for each installation. Once the report is received and the calculations are made, the funds will be removed from the installation's bank account by electronic banking procedures, by submission of consolidated sales report. A payment receipt will be mailed or FAXed to the base. Sales reporting and prompt payments are critical. **Any installation not reporting for two cycles will be informed that, 10 days after the notification, it will be determined all tickets were sold and are due and payable to the AFCTP.** Extenuating circumstances arise and that is why the notification will be made to the Resource Management Flight prior to making any determination of the disposition of the tickets or funds. A copy of each sales report form must go to the NAF Accounting office when completed. They will establish the AFCTP payable (as a CVPP payable).

**TICKET RETURNS:** In the event you have tickets that are not used or overages, you may return them. You need to use the Return/Transfer Form (attachment 7). The form is self explanatory and

should be filled out, signed, and included with the tickets returned. All tickets must be returned by Federal Express or UPS. Once the AFCTP program has received these returns (and within 24 hours of receipt), we will provide receipt acknowledgment and notify you of any discrepancies. At this point, you are relieved of all responsibility for the consignment tickets we receive.

AFCTP will contact your ITT if tickets in stock have not been sold to determine if there's a problem selling the type of tickets you are stocking, or if the inventory is overstocked. Our goal is to make sure the tickets are moving at each installation and are being made available to customers. There may be a possibility the AFCTP can help the base get more promotional support and assistance in merchandising.

**BROCHURES, PROMOTIONS AND PUBLICITY:** All contract vendors will supply the AFCTP program with brochures, promotional materials, and publicity layouts. These items will be forwarded to the installations in conjunction with their ticket orders (providing there is space) or separately as required. You may request brochures and promotional materials that are available when ordering tickets. There will also be special publicity packages available for use on your installation. Most vendors request you use only approved slicks and materials for advertising their tickets. Advertising material other than those provided or approved by the vendor must be forwarded to the AFCTP for approval through the vendors.

The Air Force Central Ticket Program logo should be used when advertising and promoting the program and included as part of your regular installation ITT logo. A logo sheet is provided at attachment 8.

## **FREQUENTLY ASKED QUESTIONS:**

### **Is the Ticket Program Mandatory?**

The AFCTP is mandatory for all Air Force installations, just like any other EPP item. If you are going to buy tickets that are available through the AFCTP, you must purchase them from the central program.

### **What are the benefits of participating in this program?**

This program is designed to offer installations the ability to obtain all major theme park tickets and other national programs on consignment from a single source. This means convenient, one-stop shopping. In addition, the installation does not have any up-front financial costs for carrying the inventory. Once you are notified a contract is in place, the contracted vendor will not sell directly to installations unless there are prior arrangements for certain tickets in the contracts. For information on these provisions for your area, contact the AFCTP Program Manager.

### **Will I lose money doing this?**

No, you should not lose any money. Unsold tickets are returnable. Delivery costs could become costly if not managed correctly; however, this won't be a problem if you manage your orders and plan ahead.

### **What happens to my vendor (Military Sales Representative)?**

The vendors' military sales representatives will continue to visit you and help with promotions and better ways to "get the word" out. Your representatives will continue to take an active role in your success and achievements. Additionally, since the burden of sales orders will be relieved, your representative will have plenty of time to help you develop new programs.

**When should I order my tickets?**

You can order tickets 7 days a week, 24 hours a day. However, orders will only be shipped Monday through Friday. We won't schedule deliveries on weekends or holidays unless you specify you want such a delivery. Tickets are like cash and must be safeguarded, so it is necessary to have an authorized ITT agent receive and sign for these tickets.

**How long will it take to get my order?**

Your order will be processed the first duty day it is received and shipped within 24 hours of receipt. Add one day for delivery and you can have your tickets within 2 days of your order. We can work with you on special situations to accommodate short-notice needs.

**Can I call my order in?**

No call in orders can be accepted. We need all orders in writing to protect the integrity of the process. This also allows us to match the signature on the order with the signature on file if there is ever any question on "who ordered" the tickets.

**Can I consolidate my sales reports into one month?**

No, you must report your sales twice a month (as per annual schedule). This will help us calculate the amount of money to be debited from your bank account for that period and facilitates prompt payment to the vendors.

**What if I don't report?**

If we do not receive sales reports for two consecutive reporting periods, we will assume all tickets on consignment for that period have been sold and will electronically remove the entire amount of money due for those tickets from the installations amount. No refunds or returns will be allowed once the funds have been removed.

**What if I have too many tickets?**

Initially, we ask that you order very conservatively. Since we will ship your orders within 24 hours via overnight delivery, we ask that you order no more than a two week supply of any one ticket. If you have over-ordered and it appears it will take several weeks to sell your stock, you may be asked to return tickets to AFCTP. Please call AFCTP to discuss/evaluate the situation before returning tickets.

**Can other services participate in this program?**

Yes, all services are welcome to participate in this program and are provided the same customer support as Air Force installations.

**What about lost tickets?**

You have 24 hours after receipt of your tickets from the AFCTP program to validate the numbers and quantities of tickets. After this time, all discrepancies are the installation's responsibility--there

are no exceptions to this policy. Tickets being returned to AFCTP will be treated the same. AFCTP has 24 hours to validate the numbers and quantities of tickets. Transfer to other installations will also be conducted the same; the receiving installation has 24 hours to validate the serial numbers and quantities received and to report discrepancies.

**Where do I call, write and fax?**

WRITE: Jan Jirsak  
Air Force Central Ticket Program  
HQ AFSVA/SVPA  
10100 Reunion Place, Suite 402  
San Antonio TX 78216-4138

CALL: DSN: 487-2855  
Comm: 210-652-2855  
FAX DSN: 487-2383  
FAX Comm: 210-652-2383

**Installation Information Sheet**  
**Air Force Central Ticket Program**  
**HQ AFSVA/SVPAR**  
10100 Reunion Place, Suite 130  
San Antonio TX 78216-4138  
**DSN: 487-2855 FAX: 487-2618**  
COM (210) 652-2855 FAX: (210) 652-2618

Installation Name \_\_\_\_\_ Code \_\_\_\_\_  
(Issued by AFCTP)

ITT Mailing Address: \_\_\_\_\_ FEDEX Delivery Address \_\_\_\_\_

\_\_\_\_\_  
City \_\_\_\_\_ City \_\_\_\_\_

State \_\_\_\_\_ Zip \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone DSN: \_\_\_\_\_ DSN FAX: \_\_\_\_\_

Commercial Phone: \_\_\_\_\_ Commercial FAX: \_\_\_\_\_

E-Mail: \_\_\_\_\_ FEDEX: \_\_\_\_\_ UPS \_\_\_\_\_

Personnel Authorized to Purchase Tickets:

Typed Name: \_\_\_\_\_ Signature: \_\_\_\_\_

Typed Name: \_\_\_\_\_ Signature: \_\_\_\_\_

Personnel Who May Authorize Electronic Payment: (Resource Management Flight Chief or designee)

Typed Name: \_\_\_\_\_ Signature: \_\_\_\_\_

Typed Name: \_\_\_\_\_ Signature: \_\_\_\_\_

Please return completed form to: HQ AFVA/SVPAR  
ATTN: Jan Jirsak, Ticket Manager  
10100 Reunion Place, Suite 130  
San Antonio TX 78216-4138



Attachment 1a

**Installation Information Sheet  
& Application to the AFCTP  
Air Force Central Ticket Program  
HQ AFSVA/SVPAR  
10100 Reunion Plac  
e, Suite 130  
San Antonio TX 78216-4138  
DSN: 487-2855 FAX: 487-2618  
COM (210) 652-2855 FAX: (210) 652-2618**

Installation Name \_\_\_\_\_ Code \_\_\_\_\_

ITT Mailing Address: \_\_\_\_\_ FEDEX Delivery Address \_\_\_\_\_

City \_\_\_\_\_ City \_\_\_\_\_  
State \_\_\_\_\_ Zip \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone DSN: \_\_\_\_\_ DSN FAX: \_\_\_\_\_  
Commercial Phone: \_\_\_\_\_ Commercial FAX: \_\_\_\_\_

E-Mail: \_\_\_\_\_ FEDEX: \_\_\_\_\_ UPS \_\_\_\_\_

Personnel Authorized to Purchase Tickets:

Typed Name: \_\_\_\_\_ Signature: \_\_\_\_\_  
Typed Name: \_\_\_\_\_ Signature: \_\_\_\_\_

Personnel Who May Authorize Electronic Payment:

Typed Name: \_\_\_\_\_ Signature: \_\_\_\_\_  
Typed Name: \_\_\_\_\_ Signature: \_\_\_\_\_

Authorized MWR Representative for program enrollment:

Name \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

Signature \_\_\_\_\_

Please return completed form to: HQ AFVA/SVPAR  
ATTN: Jan Jirsak, Ticket Manager  
10100 Reunion Place, Suite 402  
San Antonio TX 78216-4138

Application for Army, Navy, and other Services.





**FAX TICKET ORDER FORM**  
**Air Force Central Ticket Program**  
**HQ AFSVA/SVPA**  
10100 Reunion Place, Suite 130  
San Antonio TX 78216-4138  
**DSN: 487-2855 FAX: 487-2618**  
COM (210) 652-2855 FAX: (210) 652-2618

Installation Code \_\_\_\_\_ Date \_\_\_\_\_

Base Name \_\_\_\_\_ Phone \_\_\_\_\_

Event Code	Ticket Description	Qty	Price	Total	X

Total Order \_\_\_\_\_

Ordered By:

Name \_\_\_\_\_ Signature \_\_\_\_\_

X - Indicate quantity of brochures for each park.



Attachment 2

**SALES REPORT FORM**  
**Air Force Central Ticket Program**  
**HQ AFSVA/SVPAR**

10100 Reunion Place, Suite 130

San Antonio TX 78216-4138

**DSN: 487-2855 FAX: 487-2618**

COM (210) 652-2855 FAX: (210) 652-2618

Reporting Dates \_\_\_\_\_

Installation Code \_\_\_\_\_ Date \_\_\_\_\_

Base Name \_\_\_\_\_ Phone \_\_\_\_\_

Event Code	Ticket Description	Qty Sold	Price	Total

Total Order \_\_\_\_\_

Report Prepared By:

Name \_\_\_\_\_ Signature \_\_\_\_\_

Received & posted at AFCTP: \_\_\_\_\_

Electronic Banking Transaction No. \_\_\_\_\_ Date \_\_\_\_\_

Provide a copy of the sales receipt to the installation NAF Accounting Office.



Installation Code \_\_\_\_\_ Date \_\_\_\_\_  
Name \_\_\_\_\_ Phone \_\_\_\_\_

Total Order \_\_\_\_\_

Order Filled By: \_\_\_\_\_ FedEx Tracking # \_\_\_\_\_



## Attachment 4

# AIR FORCE SERVICES AGENCY

## Program Training Aid

NA-5

DATE: Mar 96

### TICKETS PURCHASED OR CONSIGNED FOR RESALE

**I. INTRODUCTION:** This training aid provides guidance to Information, Tickets and Tours (ITT) Office personnel and the NAF Accounting Office (AO) on proper procedures for the purchase and control of tickets sold by the ITT office.

**II. DISCUSSION:** The ITT office handles a wide variety of tickets ranging from movie discount tickets to season tickets for theme parks and professional sporting events. These tickets may be taken on consignment or purchased by the Activity for resale at the ITT office. Some tickets may be handled at no cost to the ITT office, while others are sold at cost plus a small mark-up to cover handling. Some tickets are sold as part of a package tour and included in the total cost of the tour. An Operating Instruction (OI) must be established by the ITT manager or designee to cover both purchased and consignment tickets. Strict inventory controls must be maintained on all tickets at all times to ensure accurate accountability. In this training aid we will discuss each type of ticket transaction individually, since specifics for recording sales and payments of tickets depend on the type of ticket. All tickets, whether purchased or taken on consignment by the ITT office, should receive the same protection as resale merchandise: maintained in a secure area and inventoried on a regular basis. Certain tickets take on an almost "cash-like" characteristic. Tickets are small and easily converted to cash. Therefore, strict cash and internal controls are critical to guard against potential losses.

1. The ITT manager establishes a preset limit of the dollar value of tickets held for resale and/or consignment. The maximum in-use inventory dollar level is approved by the SV Commander or Director and is based on the cost of merchandise, availability, historical data, adequacy of storage and exposure to spoilage and pilferage.

- a. The NAF contracting officer may delegate authority to the ITT managers to write delivery orders against existing contracts and to place calls against blanket purchase agreements (BPA) in accordance with Air Force Manual 64-302, Nonappropriated Fund Contracting. It is the responsibility of the Fund Custodian (RMFC) to provide the proper training in contracting authority to ensure proper procedures are followed and that orders do not exceed the delegated purchasing authority and the established inventory and storage limits.

- b. It is not uncommon in the commercial ticket industry to prepay vendors at the time of order, at pick-up, or on receipt of delivery. Purchasing prepaid tickets is an ideal situation to use

(POCs: Jane Ferguson, Lavada Carter & Bea Crider, HQ AFSVA/SVFAA, DSN 487-3480 your NAF IMPAC card. An order can be placed over the phone, card number given, and the tickets picked up or delivered the same day. The IMPAC card process is much simpler than preparing a disbursement request and waiting for a check from the NAF AO. Use of the card is not intended to replace sound

Attachment 5

purchasing principles nor does it replace the purchasing policies set forth in AFMAN 64-302. The single

purchase limit for cardholders is limited to \$2500; anything over that amount must be accomplished by a warranted contracting officer. The limit of \$2500 is to facilitate the requirements of "Micro Purchases" by activity managers on recurring requirements similar to issuance of a blanket purchase agreement. Ensure all requirements for using the NAF IMPAC are in accordance with the Standard Operating Procedure (SOP) (HQ AFSVA/SVF Memo, 9 Dec 94). Follow your local operating procedures for normal month-end reporting procedures.

2. Tickets Purchased For Resale: Purchases of tickets are made in accordance with AFMAN 64-302. Tickets purchased for resale are recorded in the Field Accounting System (FAS) inventory system or a Point of Sale (POS) system. The NAF AO creates a "ticket warehouse" in the FAS inventory system or the ITT manger/designee updates the POS when orders are received. The tickets are inventoried at the end of each month and more often if warranted.

a. When tickets are received, the manager or designee verifies tickets received against the AF Form 2209, NAF Purchase Order, or other proper receiving documents, to ensure the quantities ordered were received, and notes any discrepancies. Discrepancies are reported to the NAF purchasing office as soon as they are discovered. The individual annotates the discrepancies, signs the receiving report and forwards it to the NAF AO no later than the next work day. File the activity copy at the ITT office for reference.

b. The manager or designee records the quantity of tickets received on a Ticket Control Log immediately upon receipt. (Maintain a separate log for each kind of ticket or clearly separate different tickets on one log.) The manager uses this log to track the number of tickets received, issued, sold, and returned each day, or by shift, if the size of the operation warrants it. This log is mandatory and serves as a perpetual inventory, and can be maintained manually or computerized. At a minimum, each log should contain the following information:

(1) Ticket Description and Name of Vendor if Applicable.

(2) Date of receipt.

(3) Number of tickets received

(4) Cost per ticket.

(5) Selling price per ticket.

(6) Quantity received from vendor.

(7) Quantities issued to desk clerks for sale each day. (Accountable ticket numbers, if applicable, are recorded on AF Form 1875. Beginning and ending numbers issued may be used to preclude counting large numbers of tickets, but be sure to spot check that numbers are sequential. Cashiers must sign the back of the AF Form 1875.)

(8) Quantities returned unsold by desk clerks each shift. (Account for the returned, unsold tickets the same as in (7) above.)

(9) Quantity on hand. (Beginning balance, less daily issues, plus daily returns.)

(10) Value on hand. (Quantity on hand multiplied by cost per ticket.)

c. When the NAF AO gets the receiving report, the inventory clerk processes it through the FAS inventory to update the ITT warehouse or accounts payable open item maintenance and suspenses the receipt for payment. The cost of tickets purchased for resale are recorded as an expense in GLAC 401 G7, Purchases. (See the FAS User Guide for specifics on data entry and processing.)

3. IAW AFMAN 34-214, Chapter 12, an alternate inventory system such as Rectrac or POS may be used to inventory tickets instead of the FAS. However, ITT must maintain the applicable ticket control logs for control purposes.

4. Prepaid Tickets: At the time of a prepaid order, the ITT manager will mark all documents as "Prepaid" and assign to GLAC 163 00, Inventory in Transit. This is done either on the NAF IMPAC Charge Slip or on the Check Request, if the NAF AO is preparing a check to accompany the order. The NAF AO is responsible for maintaining a subsidiary of GLAC 163 00 for the Inventory in Transit. (This can be done either in a FAS inventory warehouse or on a computerized spread sheet.) The NAF AO will voucher the request for payment and prepare a check, or, for NAF IMPAC charges, will create a voucher in the accounts payable open item and suspense all documents until ITT sends the receiving document. It is very important that the ITT and NAF AO personnel work together in a timely manner to prevent errors in the cost of sales and financial data. When the tickets are received, ITT personnel annotate the receiving documents with the quantity received and the dollar value of each item to ensure the amount paid equals the items received. Mark the document as a debit to GLAC 401 G7, Cost of Sales, and credit GLAC 163 00. **DO NOT RECORD INVENTORY ITEMS IN GLAC 130 00 (AFMAN 34-214, para 11.3).** Recording a prepayment directly to GLAC 401 before the tickets are received will distort the cost of goods sold. ITT and the NAF AO will balance the Inventory in Transit no less than monthly.

5. Tickets On Consignment For Resale: Tickets are sometimes contracted for sale on consignment. This means a vendor will provide tickets to the ITT office for resale, but will not require payment until the tickets have been sold. Tickets taken on consignment still belong to the vendor until ITT actually sells them. They are NOT included in the FAS inventory system, ticket warehouse, but they are included in the preset dollar value (Para II, 1. above) of tickets held for resale. These tickets are as valuable as NAFI purchased tickets. Strict accountability and inventory control must be maintained at all times on these tickets. The NAFI is obligated to pay for any ticket not returned to the vendor, whether sold, stolen or lost. AFMAN 64-302, Attachment 9, has specific guidelines and samples for writing consignment contracts. The ITT manager must work with the purchasing agent to secure consignment contracts. Develop local Operating Instructions for handling consignment orders, and ensure all personnel are familiar with the procedure

a. When a consignment of tickets is received, the ITT manager or designee verifies the tickets received against the contract order to ensure the quantities ordered were received and notes any discrepancies. The individual signs a receiving report and forwards it to the NAF AO. It is extremely important to mark the receiving report **"FOR CONSIGNMENT ONLY"** to prevent processing the consigned tickets as a purchase of resale tickets.

b. The quantity of the tickets are recorded on a consignment control log immediately upon receipt. The manager then uses the control log to track the number of tickets issued, sold, and returned each day. This log, which may be either manual or automated, serves as a perpetual inventory for these consigned tickets. At a minimum, the log should contain the same information required for the purchased tickets recorded in the ticket control log outlined in Para II, 2b, 1-10 above.

c. The tickets received on consignment may be carried in a separate inventory warehouse on the FAS or other locally devised inventory method. If the FAS Inventory Program is used with the Accounts Payable/Inventory Interface, then the general ledger entries posted must be wash entries debiting and crediting GLAC 201 00. The consignment inventory is for accountability and tracking only; no general ledger entries are recorded until the vendor is paid for the tickets sold.

d. At month end, the ITT prepares a receiving document using a DD Form 250, Receiving Report, or AF Form 2539, Disbursement Request, showing tickets sold for the month and sends to the NAF AO. This can be done more frequently but must be done once a month.. Information for the DD Form 250 or AF Form 2539 is taken from the consignment control log; attach a copy of the consignment control log as supporting documentation and forward to the NAF AO for payment. The general ledger entries are a debit to GLAC 401 G7, Purchases, and a credit to GLAC 201 00, Accounts Payable, for the amount due each consignment vendor. Payment to the vendor is made according to the consignment contract provisions.

6. Recording And Reporting Ticket Sales: At the end of the day, or end of each shift, the ITT Cashier turns over his or her receipts, any unsold tickets, and other paperwork to the manager. The ITT manager verifies the cash count and tickets returned, and gives the clerk the signed receipt portion of the AF Form 1875, Individual Cashier Report. It is the manager's responsibility to take cash register readings (or record accountability information from other sources if a register is not being used) and complete the accountability portion of AF Form 1875.

a. Daily, the manager or designee consolidates the information from the AF Forms 1875, and prepares the AF Form 1876, NAF Consolidated Cashier's Report, and the bank deposit. The receipts from ticket sales are recorded in GLAC 301 G7, Sales.

b. Consignment and/or Fund owned tickets sold in conjunction with a tour will remain in the inventory until the tour is taken. At the time of the tour, the ITT manager or designee will prepare a Transfer Between Cost Centers (TBCC) and transfer the tickets to the tour operation. List the tickets at cost and credit GLAC 401 G7. Debit the appropriate expense and cost center in the Tour Operations. Ensure the inventory and control log is updated with the TBCC transaction.

7. Physical Inventory For Tickets: At the end of each month or more often (if designated by the RMFC or Manager), a physical inventory is taken for all tickets, both purchased and on consignment. If the inventory is maintained in the FAS, the NAF AO provides ITT with a separate set of count sheets for purchased and consignment tickets. The manager or designee counts each kind of ticket and records the quantity of each, either on the count sheets or a POS. The completed count sheets or POS reports are returned to the NAF AO.

a. The total physical cost for the purchased ticket warehouse is the ending inventory for the month. The NAF AO records the ending inventory in GLAC 4013 G7, Ending Inventory. This total should agree with the ITT ticket control log balance on hand.

b. If there are discrepancies, the ITT manager and NAF AO should review the purchases, POS reports, sales, count sheets and ticket control logs to determine the cause and make corrections as necessary. Pay close attention to the percentage cost of goods sold. Variances in this percentage usually indicate a problem.

c. The ITT managers requests approval in writing, from the RMFC or designee, to write off expired or out-of-date tickets. Prepare a TBCC and attach a copy of the approval as supporting documentation and send to the NAF AO. NAF AO will make the general ledger entries to credit the inventory or cost of sales and debit the appropriate expense account.

**III. SUMMARY:** Tickets are small easily pilfered items. They easily can be converted to cash on the economy. It is critical to be able to account for all tickets at any time of day. Just as you would perform a surprise cash count on a cashier, you can perform surprise ticket counts to ensure internal controls are being followed. The most common method of "stealing" tickets is to take some from the middle of a bundle/stack. If nothing else, randomly select a bundle to be counted individually and let personnel know this is the policy. If an employee sees that management is paying close attention, the internal controls are strengthened. In turn, the NAF AO needs to perform periodic reconciliations of the ticket control logs to ensure accountability.



# THE SERVICES AGENCY

## Program Training Aid

NA-40

DATE: April 1994

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### ACCOUNTING PROCEDURES FOR CENTRAL VENDOR PAYMENT PROGRAM (CVPP)

**I. TRAINING OBJECTIVE:** Air Force Agency centralized payments expect to give contracting officers significant leverage in negotiating discounts by processing one check payment for all Air Force Buys. AFSVA passes savings from centralized payments back to the base through CMIP. The activity receives the benefit of these savings.

#### **II. INTRODUCTION**

These instructions detail base-level NAF Accounting Office (NAF AO) responsibilities, accounting, and reconciliation procedures for central vendor payment processing.

#### **III. HQ AFSVA RESPONSIBILITIES**

AFNAFPO establishes contracts with vendors participating in the CVP program.

1. The vendor contract lists the discount amount that HQ AFSVA takes when they pay the vendor. AFSVA pays the vendor upon receipt of three documents, which are, proof of shipment, a copy of the order and a proper invoice. HQ AFSVA/SVFF reduces the base's CMIP account by deducting the invoice amount plus any shipping or freight charges. The Agency Central Vendor Payment Processing (CVPP) section refunds discounts to the base as a separate item on the base's CMIP.

2. The CVPP section is the central point of contact and handles discrepancies such as missing or damaged items. The RMFC and CVPP section work together with the manager and the NAF purchasing agent to resolve any discrepancies. The CVPP section contacts AFNAFPO for those situations that require vendor action to resolve problems.

#### **IV. NAF AO RESPONSIBILITIES**

The NAF AO uses the following procedures to track and record transactions for CVPP:

(OPR: Bea Crider, HQ AFSVA/SVFA, DSN 487-3480)

1. General Ledger Account Code (GLAC 165) titled - Central Vendor Payments - reflects the dollar amount of merchandise in transit. Use the inventory in transit GLAC, only when the Agency deducts a vendor payment from your CMIP before the activity receives the merchandise.

2. General Ledger Account Code (GLAC 810) titled - Air Force Central Vendor Discounts - reflects the amount of the CVPP discount received from the vendor. The discounts are recorded to the Cost Center Code (CCC) of the activity that made the order. Discounts are returned to the base once a month through the CMIP. One CT record for discounts may contain income for several CCC's. The NAF Accounting Office tracks the discount and records the amount to the deserving activity.

3. Add both GLACs in your general ledger using GLAC maintenance on the NAF Standard Accounting System. Ensure you establish GLAC 810 in each cost center that purchases from the established CVPP vendors.

4. Use the Report Format Maintenance program in the NAF Standard Accounting System and format the GLACs before running the financial statements.

5. Establish new vendor codes in the accounts payable and inventory subsystems for those vendors participating in CVPP. Add the codes to all NAFIs, being careful to use the same vendor codes in both the accounts payable and inventory subsystems. The address field should read "CENTRAL VENDOR - TO BE PAID through CMIP - NO CHECKS TO BE WRITTEN." The Agency provides the RMFC and base NAF Purchasing Agent a list of vendors participating in the program. The Agency updates the list as vendors are added or deleted.

6. CVPP payments are made on constructive delivery, which means payments may be made and deducted from your CMIP account before the activity sends in a receiving document.

a) **When the Agency deducts CVPP payments from your CMIP BEFORE the activity receives the order** make the following journal entries: Prepare a JV to debit GLAC 165 00 and credit GLAC 101 00. Write a complete description of the JV by listing the vendor name and document numbers if applicable. Attach a copy of the CMIP message to the JV to support the entries. Maintain a subsidiary record, either manually or computerized, of all entries made to GLAC 165. Balance the subsidiary monthly, before closing the financial statement.

1) When the items are received the activity sends the receiving document to the NAF AO. The NAF AO prepares a JV to credit GLAC 165 and debits the appropriate expense account(s). Write a complete explanation and reference the first JV number and date of the CMIP message. (See IV-6a).

2) Reconcile any differences from the original entry to GLAC 165. Freight charges for property items are included in the cost of the item. Record freight charges on **RESALE** items to GLAC 4012XX. Supply items are charges to GLAC 720 XX.

3) Resale items (marked for GLAC 401 XX), are considered **In-USE** inventory. The in-use inventory must be updated either at the activity or on the NAF Standard Accounting System. If the NAF AO maintains the in-use inventory, post the item to the applicable warehouse through the inventory system on the NAF standard accounting system. Before running the purge to update AP/Inventory interface, delete the transaction from the AP/Suspense file. Select the Delete function and the appropriate document number. The program automatically debits GLAC 201. Post a corresponding credit to GLAC 201. Washing the entry through GLAC 201 updates the inventory and keeps the accounts payable in balance.

b) **If the activity sends the receiving document to the NAF AO Prior to the CMIP deduction:** enter all transactions as usual to set up the voucher. Use either the inventory system or accounts payable open item maintenance.

**PLEASE READ THE FOLLOWING INSTRUCTIONS CAREFULLY**

1) First balance the amount deducted from the CMIP to the vouchers in your accounts payable file. The vouchers are cleared from the accounts payable file by processing the CT transaction through the Check Processing program.

2) To process the CT deduction, select the Accounts Payable - Check Processing menu. From the Check Processing Menu select number 8, CT Processing Central Vendor Payments. Enter the NAFI and vendor number. Use the date of business listed on the CMIP message. Then enter the full 5 digit CT number, after pressing "Enter" a 2 digit suffix (00) is displayed. If you are processing payment for one vendor, press "Enter" and the cursor will move to prompt for the amount. If you are processing multiple vendors enter XXXXX(01). When prompted for the amount, enter only the amount due for the selected vendor. Do not enter the full amount of the CT deduction when processing multiple vendors. Each additional vendor requires a different suffix, i.e., XXXXX 02, etc. This process clears the vouchers from the accounts payable file and updates the general ledger without creating a record in the daily CMIP banking file.

3) Prepare a JV for the CT to record the discount returned to each cost center code. Debit GLAC 101 00 and credit GLAC 810 XX. Attach a copy of the CMIP message as a supporting document.

c) The NAF AO Purchasing Agent maintains a log of purchases by activity, and by vendors enrolled in the CVPP. The RMFC reviews and verifies the log monthly.

**V. SUMMARY**

These accounting instructions are provided as a guideline for the NAF AO. A special release to the check processing program was added to process CT transactions without up-dating the banking CMIP file, but still clears the invoices from the accounts payable. Don't forget to enter the CT transactions on your daily cash control summary.

Installation Code \_\_\_\_\_ Date \_\_\_\_\_  
Installation Name \_\_\_\_\_ Phone \_\_\_\_\_

[illegible]

Report Prepared By:

Name \_\_\_\_\_ Signature \_\_\_\_\_

Received &amp; posted at AFCTP: \_\_\_\_\_



